

CANNABIS FAQ

Addressing Utah's growing questions.



UTAH DEPARTMENT OF AGRICULTURE AND FOOD



What is UDAF's involvement in cannabis?

2018 Legislature Passed: SB130, HB 195, HB197, and HB302

Giving UDAF sole oversight of...
(Handled by multiple agencies in other states.)



- Identification
- Cultivation
- Processing
- Testing
- Distribution



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Industrial Hemp, Medical Marijuana, and CBD

Industrial Hemp: Cannabis Sativa L. = **LESS** than 0.3% THC

Medical Marijuana: Cannabis = **MORE** than 0.3% THC

CBD is Cannabidiol: A cannabinoid which comes from the Cannabis plant.
CBD is produced from either Industrial Hemp or Marijuana plant.



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Creation of Cannabis Rules

Administrative
Procedures Act



UDAF creating rules through public process

- Public meetings
- Meetings with stakeholders and industry partners
- Draft rules and providing comment period
- Additional public meetings
- Finalized rules announced



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Can CBD oil, currently available, still be purchased?

Yes, once...



- The product meets rules established by UDAF, **AND**
- Is formally registered with UDAF

*Quality Assurance is key to create consistency in product labeling and requirements.
This will also enable improved research opportunities for the product.*



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Who has to register cannabis products?

All cannabis products must be registered by either the manufacturer or the distributor to be legally sold within the State of Utah.



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Industrial Hemp

Who Can Grow?

UDAF-approved and licensed...
(Rules and process coming.)



- Individuals
- Farmers
- Businesses
- Universities

Can Hemp Be Sold Commercially?

Yes, once rules are established and the individual products are registered.



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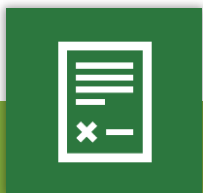
Who Can Grow Medical Marijuana?

Under current Utah law...



- UDAF, OR
- Third-party contractor of UDAF

(UDAF anticipates third-party contractor.)



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When will medical marijuana growing contracts be awarded?

UDAF is currently working through the rules for growing contracts and an RFP process for those interested in becoming a licensed grower.



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Who Can Dispense Medical Marijuana?

UDAF is charged with dispensing the product. Security for facilities and employees is a major concern. It is likely that multiple facilities will be needed for dispensing the product to make it readily available to patients throughout the State.



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How does one purchase Medical Marijuana?

2018 Legislature Passed HB195:

“Right to Try” for terminally-ill patients only.

Unless we can find a better solution, this will be a **‘cash only’** system for payment.

Because of the complexity of the payment system and the dispensaries, we anticipate these being the final rules that we complete.



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Legislative Improvements Needed

We need additional clarification on the dispensary. Current legislation refers to 'a' state dispensary. Either there need to be additional dispensaries or additional investments will need to be made to secure small UDAF facilities throughout the State.

Currently the AG's office is cataloguing the process that other states use to process payment. We hope to have a solution that is compliant with federal banking laws identified soon.



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Value Based Compensation - SUCCESS

Goal:

- Ensure that safe food products are sold within the state.

Problems to Solve:

- Inadequate training of food inspectors due to:
- High inspector turnover rate (*over 50% turnover rate over the last two years.*)

TRAINING COSTS

Environmental Health Specialist

\$118K

Inspects grocery stores, food manufacturing facilities and dairies.

Compliance Specialist

\$71K

Inspects seed, feed, fertilizer, organic, Good Agriculture Practices, FSMA, nursery, bees, fruit & vegetables.

Meat Inspector

\$72K

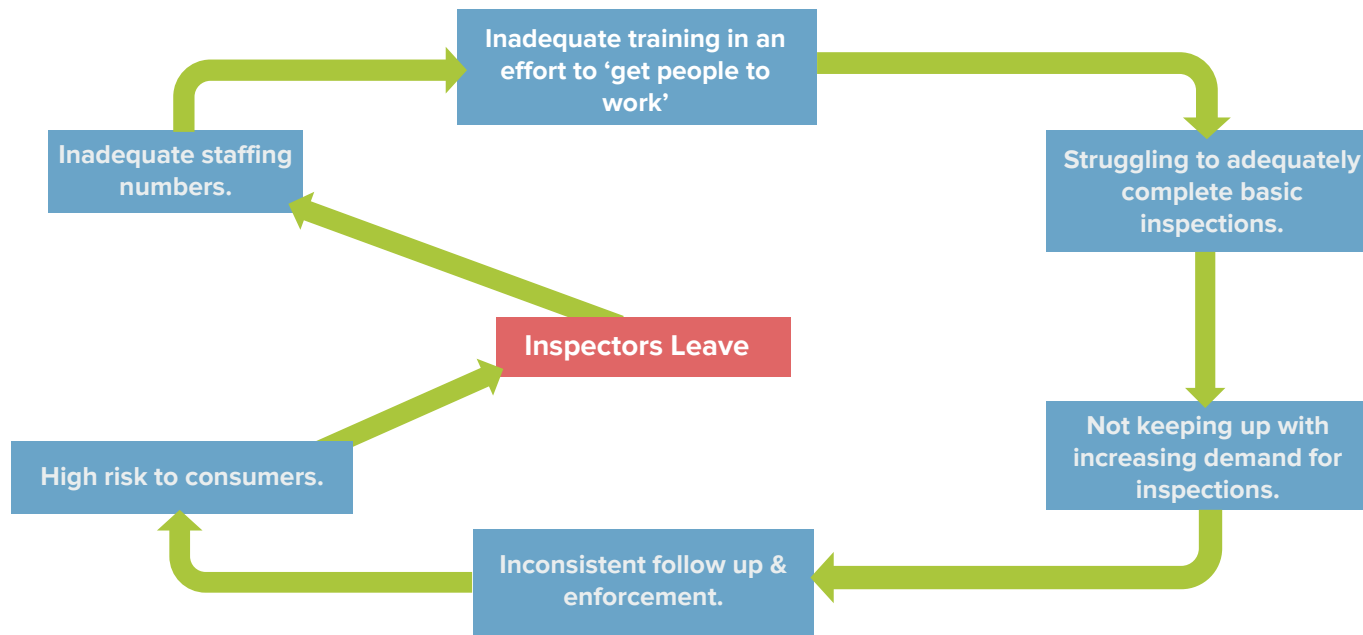
Physically onsite at harvesting facilities as animals are slaughtered.

Value Based Compensation - **SUCCESS**

Solutions:

- This compensation system will provide employees some 'line of sight' for future employment growth. **Enables them to see how they impact the overall goals of the department.**
- As inspectors complete additional training opportunities, they can do more inspections and will be provided with promotional opportunities. **This incentivizes to complete trainings more quickly.**
- Inspectors typically enjoy their jobs but leave for higher paying jobs. **These new growth opportunities can keep them in state employment.**

Vicious Cycle



Solution Cycle

